

BRIDGE MEADOWS AND AFFILIATED ENTITIES

**Consolidated Financial Statements for
the years ended December 31, 2021 and
2020 and Independent Auditor's Report**

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Bridge Meadows
Portland, Oregon

Opinion

We have audited the accompanying financial statements of Bridge Meadows (a nonprofit organization) and affiliated entities ("Bridge Meadows and Affiliated Entities"), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Bridge Meadows and Affiliated Entities as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Bridge Meadows and Affiliated Entities and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bridge Meadows and Affiliated Entities' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

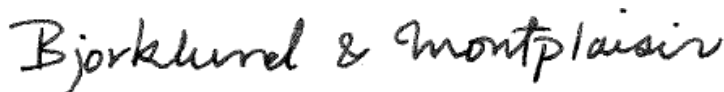
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bridge Meadows and Affiliated Entities' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bridge Meadows and Affiliated Entities' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information on pages 23 through 26 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Portland, Oregon
July 6, 2022

BRIDGE MEADOWS AND AFFILIATED ENTITIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020**

	2021	2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,327,320	\$ 2,351,867
Accounts receivable	38,716	52,242
Contributions receivable	74,059	420,481
Due from affiliates	3,049	9,799
Prepaid expenses	20,922	35,607
Total current assets	1,464,066	2,869,996
NONCURRENT ASSETS:		
Tenant security deposits held in trust	48,328	40,841
Restricted deposits	869,895	882,899
Investments in an affiliate	10,290	-
Tax credit fees - net	142,109	149,234
Other assets	390,242	334,737
Fixed assets:		
Land and land improvements	5,689,553	4,422,906
Buildings and improvements	35,794,244	22,833,464
Furnishings and equipment	1,069,755	767,511
Website	26,353	26,353
Construction in progress	-	4,718,225
Total fixed assets	42,579,905	32,768,459
Less accumulated depreciation	(5,098,062)	(4,307,345)
Fixed assets - net	37,481,843	28,461,114
Total noncurrent assets	38,942,707	29,868,825
TOTAL	\$ 40,406,773	\$ 32,738,821

(Continued)

BRIDGE MEADOWS AND AFFILIATED ENTITIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and other accrued liabilities	\$ 353,866	\$ 239,347
Accounts payable - construction	157,441	1,959,150
Prepaid rents	17,398	13,343
Accrued interest	139,149	23,123
Current portion of notes payable	<u>6,615,586</u>	<u>81,567</u>
Total current liabilities	<u>7,283,440</u>	<u>2,316,530</u>
NONCURRENT LIABILITIES:		
Refundable security deposits	48,328	40,841
Notes payable, net	11,813,351	9,416,654
Deferred interest	<u>94,312</u>	<u>156,787</u>
Total noncurrent liabilities	<u>11,955,991</u>	<u>9,614,282</u>
Total liabilities	<u>19,239,431</u>	<u>11,930,812</u>
NET ASSETS:		
Net assets without donor restrictions:		
Controlling interests	10,107,775	8,768,534
Noncontrolling interests	<u>11,059,567</u>	<u>12,019,554</u>
Total net assets without donor restrictions	21,167,342	20,788,088
Net assets with donor restrictions	<u>-</u>	<u>19,921</u>
Total net assets	<u>21,167,342</u>	<u>20,808,009</u>
TOTAL	<u><u>\$ 40,406,773</u></u>	<u><u>\$ 32,738,821</u></u>
		(Concluded)

See notes to consolidated financial statements.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

CONSOLIDATED STATEMENT OF ACTIVITIES YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			2020		
	Net assets without donor restrictions	Net assets with donor restrictions	Total	Net assets without donor restrictions	Net assets with donor restrictions	Total
SUPPORT AND REVENUES:						
Support:						
Contributions and grants	\$ 1,916,544	\$ 375,000	\$2,291,544	\$ 1,001,459	\$ 1,517,678	\$ 2,519,137
Special events, net	271,290	-	271,290	191,865	-	191,865
Total support	2,187,834	375,000	2,562,834	1,193,324	1,517,678	2,711,002
Revenues:						
Net rental revenue	750,103	-	750,103	700,539	-	700,539
Management fees	12,196	-	12,196	12,196	-	12,196
Interest income	1,587	-	1,587	1,668	-	1,668
Loss on sale of assets	-	-	-	-	(69,505)	(69,505)
Miscellaneous income	8,488	-	8,488	3,711	-	3,711
Net assets released from restrictions	394,921	(394,921)	-	2,760,620	(2,760,620)	-
Total revenues	1,167,295	(394,921)	772,374	3,478,734	(2,830,125)	648,609
Total support and revenue	3,355,129	(19,921)	3,335,208	4,672,058	(1,312,447)	3,359,611
EXPENSES:						
Program services:						
Affordable housing	1,667,844	-	1,667,844	1,332,365	-	1,332,365
Community development	151,641	-	151,641	181,455	-	181,455
Resident services	430,821	-	430,821	408,188	-	408,188
Total program services	2,250,306	-	2,250,306	1,922,008	-	1,922,008
Support services:						
Management and general	367,931	-	367,931	309,010	-	309,010
Fundraising	357,638	-	357,638	421,471	-	421,471
Total support services	725,569	-	725,569	730,481	-	730,481
Total expenses	2,975,875	-	2,975,875	2,652,489	-	2,652,489
CHANGE IN NET ASSETS	<u>\$ 379,254</u>	<u>\$ (19,921)</u>	<u>\$ 359,333</u>	<u>\$ 2,019,569</u>	<u>\$ (1,312,447)</u>	<u>\$ 707,122</u>

(Continued)

BRIDGE MEADOWS AND AFFILIATED ENTITIES

CONSOLIDATED STATEMENT OF ACTIVITIES YEARS ENDED DECEMBER 31, 2021 AND 2020

	Net Assets without Donor Restrictions			Net assets with donor restrictions	Net Assets
	Controlling Interests	Non- controlling Interests	Total		
NET ASSETS, DECEMBER 31, 2019	\$ 6,021,762	\$ 10,627,522	\$ 16,649,284	\$ 1,332,368	\$ 17,981,652
Capital contributions	-	2,184,235	2,184,235	-	2,184,235
Syndication costs	-	(65,000)	(65,000)	-	(65,000)
Change in net assets	<u>2,746,772</u>	<u>(727,203)</u>	<u>2,019,569</u>	<u>(1,312,447)</u>	<u>707,122</u>
NET ASSETS, DECEMBER 31, 2020	8,768,534	12,019,554	20,788,088	19,921	20,808,009
Change in net assets	<u>1,339,241</u>	<u>(959,987)</u>	<u>379,254</u>	<u>(19,921)</u>	<u>359,333</u>
NET ASSETS, DECEMBER 31, 2021	<u><u>\$ 10,107,775</u></u>	<u><u>\$ 11,059,567</u></u>	<u><u>\$ 21,167,342</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 21,167,342</u></u>

(Concluded)

See notes to consolidated financial statements.

BRIDGE MEADOWS AND AFFILIATED ENTITIES**CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 359,333	\$ 707,122
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	813,968	767,001
Loss on sale of assets	-	69,505
Deferred lease income	(2,278)	(1,876)
Grant income restricted for investing in real estates	-	(759,678)
Decrease (increase) in operating assets:		
Accounts and contributions receivable	366,698	(108,263)
Prepaid expenses	14,685	(13,253)
Tenant security deposits held in trust	(7,487)	(2,804)
Increase (decrease) in operating liabilities:		
Accounts payable and other accrued liabilities	114,519	89,653
Prepaid rents	4,055	3,333
Accrued and deferred interest	46,162	27,416
Refundable security deposits	7,487	3,145
Net cash provided by operating activities	1,717,142	781,301
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net change in restricted deposits	13,004	41,695
Additions to fixed assets	(9,654,005)	(3,544,699)
Payment of accounts payable - construction	(1,959,150)	-
Tax credit fees paid	-	(82,870)
Proceeds from sales of assets, net of commissions and other fees	-	1,030,495
Predevelopment costs paid	(98,225)	(101,972)
Net cash used in investing activities	(11,698,376)	(2,657,351)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Long-term borrowings	9,041,119	1,526,109
Principal payments on notes payable	(84,432)	(945,542)
Debt issuance costs paid	-	(32,091)
Capital contributions from limited partners of tax credit partnerships	-	2,184,235
Syndication fees paid	-	(65,000)
Grant income restricted for investing in real estates	-	759,678
Net cash provided by financing activities	8,956,687	3,427,389
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,024,547)	1,551,339
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,351,867	800,528
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 1,327,320	\$ 2,351,867

(Continued)

BRIDGE MEADOWS AND AFFILIATED ENTITIES**CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest incurred	<u>\$ 240,968</u>	<u>\$ 65,243</u>
Interest paid	<u>\$ 52,993</u>	<u>\$ 75,193</u>
Interest capitalized	<u>\$ 139,052</u>	<u>\$ 18,615</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES-		
Additions to fixed assets through incurrence of-		
Accounts payable - construction	<u>\$ 157,441</u>	<u>\$ 1,959,150</u>
		(Concluded)

See notes to consolidated financial statements.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Bridge Meadows is a nonprofit organization that was formed to develop and sustain supportive intergenerational communities for families with children who have experienced foster care and to promote permanency, community, and caring relationships, while offering safety and meaningful purpose in the daily lives of other adults. At December 31, 2021, Bridge Meadows has an ownership interest in five affordable housing entities (“Affiliated Entities”) as follows:

	<u>Number of Units</u>	<u>Percentage Ownership</u>
Bridge Meadows Senior Apartments LLC - General Partner in- Bridge Meadows Senior Housing Limited Partnership	- 27	100.00% .01%
Bridge Meadows GP LLC - General Partner in- Bridge Meadows-Beaverton Limited Partnership	- 41	100.00% .01%
Bridge Meadows Redmond GP LLC - General Partner in- Bridge Meadows Redmond Limited Partnership	- 36	100.00% .01%
Bridge Meadows Family Homes LLC	9	100.00%
New Meadows Property LLC	15	98.00%

Tax Credit Partnerships – Bridge Meadows Senior Housing Limited Partnership, Bridge Meadows-Beaverton Limited Partnership, and Bridge Meadows Redmond Limited Partnership (“Tax Credit Partnerships”) were organized to develop affordable housing units in conformity with the provisions of Section 42 of the Internal Revenue Code which include, but are not limited to, compliance with tenant income eligibility and rent restrictions during a fifteen year compliance period (“Compliance Period”). Pursuant to Section 42, each of these entities are subject to an extended use agreement that requires continued compliance with the tenant eligibility rent restrictions for a fifteen year period after the initial Compliance Period.

Bridge Meadows is the General Partner in each of the Tax Credit Partnerships through sole member limited liability companies that were organized by Bridge Meadows. Bridge Meadows has an option to purchase the 99.99% ownership interest owned by the limited partner in each of these entities at the end of the Compliance Period.

The housing project located in Portland, Oregon, which is owned by Bridge Meadows Senior Housing Limited Partnership, includes 27 apartments for seniors and an intergenerational community center for the use of all residents, including the residents of the nine adjacent homes owned by Bridge Meadows Family Homes LLC.

The housing project located in Beaverton, Oregon, which is owned by Bridge Meadows-Beaverton Limited Partnership, includes nine homes for adoptive families and children, 32 apartments for elders, and an intergenerational community center for all residents.

The housing project located in Redmond, Oregon owned by Bridge Meadows Redmond Limited Partnership. This project includes 26 apartments for seniors and 10 units for adoptive families with children and an intergenerational community center for all residents. Construction of the project was completed in November 2021.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Bridge Meadows Family Homes LLC (“Family Homes”) – Family Homes was organized to finance and develop nine family homes to serve adoptive families and children. The nine family homes are located adjacent to the housing project owned by Bridge Meadows Senior Housing Limited Partnership

New Meadows Property LLC (“New Meadows”) – Bridge Meadows has partnered with New Avenues for Youth to finance and develop a 15-unit apartment complex located in close proximity to Bridge Meadows which was completed and placed in service in July 2018. New Meadows was organized to house and serve young people aging out of the foster care system and provide life skills training, academic support, counseling services and an intergenerational community to help them build life-long bonds. Ownership in New Meadows is based on the amount of capital contribution made by each owner.

Bridge Meadows and New Avenues for Youth also formed New Meadows Operations LLC which leases the 15-unit apartment complex from New Meadows. Services to residents, which are discussed above, are provided by New Avenues for Youth. As of December 31, 2021, Bridge Meadows has made a capital contribution of \$10,290 to New Meadows Operations LLC. Under the provisions of the operating agreement of New Meadows Operations LLC, Bridge Meadows is required to make annual contributions of \$3,430, beginning 2020 through 2024.

Principles of Consolidation – The accompanying consolidated financial statements include the accounts of Bridge Meadows and Affiliated Entities. The Affiliated Entities are included in the consolidated financial statements in accordance with generally accepted accounting principles because Bridge Meadows is deemed to be in control of each of these entities. All intercompany transactions and balances have been eliminated in consolidation.

Noncontrolling Interest – The amounts shown as noncontrolling interest represent the aggregate balance of the limited partners or member’s equity interest in the non-wholly owned entities that are included in the consolidated financial statements.

Basis of Presentation – The financial statements are presented on the accrual basis. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounting principles generally accepted in the United States of America require Bridge Meadows to report information regarding its financial positions and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of Bridge Meadows. These net assets may be used at the discretion of Bridge Meadows’ management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by the actions of Bridge Meadows or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Cash Equivalents – For purposes of the statement of cash flows, Bridge Meadows and Affiliated Entities consider all highly liquid investments available for current use with maturities of three months or less at the time of purchase to be cash equivalents.

Accounts Receivable and Bad Debts – Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Contributions Receivable at December 31, 2021 and 2020 represent unconditional promises to give and are due within one year.

Fixed Assets are recorded at costs or at the estimated fair value of donated assets on the date of donation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets which are 40 years for buildings, 3 to 10 years for furniture and equipment, and 5 years for website costs.

Management reviews fixed assets for financial impairment and will continue to evaluate assets if events or circumstances indicate the carrying amount of an asset may not be fully recoverable.

Debt Issuance Costs – Debt issuance costs are being amortized using the straight-line method over the terms of the related notes. Accounting principles generally accepted in United States of America require the effective yield method be used to amortize debt issuance costs; however, the effect of using the straight-line method is not materially different from the results that would be obtained using the effective yield method. Amortization of debt issuance costs of \$6,120 and \$6,121 for the years ended December 31, 2021 and 2020, respectively, is included in interest expense. Accumulated amortization of debt issuance costs was \$52,606 and \$46,486 at December 31, 2021 and 2020, respectively.

Tax Credit Fees are recorded at cost and are amortized on the straight-line method over the fifteen year tax credit compliance period. Accumulated amortization was \$47,617 and \$40,493 at December 31, 2021 and 2020, respectively. Amortization was \$7,126 and \$7,123 for the years ended December 31, 2021 and 2020, respectively. Amortization of tax credit fees for each of the next five years will be \$12,650 each year.

Tax Credits – The Tax Credit Partnerships have received an allocation of Low-Income Housing Tax Credits (“LIHTC”) for their qualifying rental property. The benefits of the LIHTC are provided to the partners through the partnerships’ annual Federal income tax return filing and are not reflected in the accompanying financial statements. The LIHTC is a 15-year credit that is generally claimed by the partnerships over a 10-year period. The credit is a certain percentage (as determined by the Internal Revenue Service) of the qualified basis of the property. The partnerships may only lease qualified units to tenants who meet certain income restrictions and whose rent payments also are restricted under guidelines set by the Internal Revenue Service.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Because the LIHTC is subject to complying with certain requirements, there can be no assurance that the aggregate amount of LIHTC will be realized. Failure to maintain compliance with occupant eligibility, and/or unit gross rent, or to correct noncompliance within a specified time period could result in the loss of LIHTC and the recapture of previously claimed LIHTC plus interest.

Federal and State Taxes – Bridge Meadows and Family Homes are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state statutes and did not have any unrelated business income for the year ended December 31, 2021. Due to its tax exempt status, Bridge Meadows and Family Homes are not subject to income taxes. Accordingly, these financial statements do not reflect a provision for income taxes and there are no other tax positions which must be considered for disclosure. Bridge Meadows is required to file tax returns with the IRS and other taxing authorities.

The Tax Credit Partnerships and New Meadows are taxable entities, however, each of the entities have elected to be treated as a pass-through entity for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by its partners or members on their respective income tax returns. The Tax Credit Partnerships and New Meadows' federal tax statuses are based on their legal status as a partnership. Accordingly, the Tax Credit Partnerships and New Meadows are not required to take any tax positions in order to qualify as a pass-through entity. Accordingly, these financial statements do not reflect a provision for income taxes and the Tax Credit Partnerships and New Meadows have no other tax positions which must be considered for disclosure. The Tax Credit Partnerships and New Meadows are required to file and do file tax returns with the Internal Revenue Service and other taxing authorities.

Income tax returns filed by each of the entities are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2018 remain open and subject to examination.

Functional Expenses – The costs of providing program services and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services and supporting services based on an allocation of employees' time incurred and on usage of resources. Bridge Meadows core programs are as follows:

- **Affordable Housing** – Bridge Meadows has an ownership interest in 128 units of affordable rental housing and is responsible for the management of these units through a third-party property management company except for New Meadows which is managed by New Avenues for Youth. The affordable housing units include 28 homes which are available for adoptive families and children, 85 apartments for senior citizens and 15 apartments for young people aging out of the foster care system.
- **Community Development** – Bridge Meadows have developed 128 housing units through new construction over the last decade. Currently the developments of three additional communities in Oregon are in a predevelopment phase.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

- **Resident Services** – Bridge Meadows provides services to the tenants of the affiliated affordable housing units in order to improve the social, economic, and environmental conditions affecting their lives. The program offers better access to community services, skill building workshops, a resident newsletter, and activities for young and adult residents.

Revenue Recognition

Rental income, principally short-term leases on apartment units, is recognized as the rentals become due.

Grants and Contributions – Bridge Meadows receives grants and contributions from private foundations and government sources. Government grants, which generally reflect cost reimbursement agreements are recognized when earned. Contributions, which include unconditional promises to give, are recorded as revenue at estimated net realizable value in the period Bridge Meadows is notified of the commitment. Conditional promises to give are not included as revenue until the conditions are substantially met. Grants and contributions whose restrictions, if any, are met in the same reporting period are reported as contributions without donor restrictions in the period of receipt.

Donated Assets and Services – Donated assets and services are recorded as support at their estimated fair value at the date of donation. Such donations are reported as contributions without donor restrictions unless the donor has restricted the use of donated goods to a specific purpose. Bridge Meadows recognizes donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individually possessing those skills, and would typically need to be purchased if not provided by donation.

Special Events – Contributions from special fundraising events are reported net of direct costs of benefits received by the participants of such events. For the years ended December 31, 2021 and 2020, such costs were \$83,305 and \$54,996, respectively.

Development Fees – Bridge Meadows earns fees for development of properties and generally recognize development fees as earned over the period of development. Development fees earned cover development costs plus a profit margin. Development fees earned, in excess of actual development costs incurred, have been eliminated in consolidation.

Bridge Meadows provides tenant services for the Affiliated Entities. Income is earned in accordance with the terms of the agreements and recorded as revenue when earned. Such intercompany revenue has been eliminated in the consolidated financial statements.

Statement of Cash Flows – Changes in restricted deposits between the beginning of the period and the end of the period are reported as a component of investing activities in the statement of cash flows. Changes in tenant security deposits held in trust net of the liability for refundable security deposits between the beginning of the period and the end of the period are reported as a component of operating activities. Accounting principles generally accepted in the United States of America require that changes in restricted cash should be included in cash and cash equivalents when reconciling the beginning-of-period and end-of-period amounts shown on the statement of cash flows. However, the effect of reporting such changes as components of operating and investing activities is not materially different from reporting the changes in cash and cash equivalents when reconciling the beginning-of-period and end-of-period amounts on the statement of cash flows.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

2. RESTRICTED DEPOSITS

Restricted deposits at December 31, 2021 and 2020 include the following:

	2021	2020
Operating reserves	\$ 461,199	\$ 465,669
Replacement reserves	147,342	141,496
Resident services	228,996	245,638
Insurance reserve	32,358	30,096
Total	<u>\$ 869,895</u>	<u>\$ 882,899</u>

Operating Reserves are required by certain organizational agreements of the Tax Credit Partnerships. Such funds are available to pay operating expenses to the extent that collected gross revenues are insufficient for such purposes. Withdrawals from operating reserves generally require the approval and consent of the limited partners.

Replacement Reserves are required by various loans and partnership agreements and are to be used for the replacement or repairs of capital assets.

Resident Services Reserve – Bridge Meadows-Beaverton Limited Partnership has established a resident services reserve in the initial amount of \$300,000 to pay a portion of the resident services fee payable to Bridge Meadows.

Mortgage Escrow Deposits – The Tax Credit Partnerships are required to fund an insurance reserve which will be sufficient to pay insurance premiums when due.

3. NOTES PAYABLE

Notes payable at December 31, 2021 and 2020 were as follows:

	2021	2020
Columbia Bank		
Mortgage payable in monthly installments of \$1,606 including interest at 5.75%, maturing April 26, 2023. Fixed assets owned by Family Homes pledged as collateral.	<u>\$ 24,638</u>	<u>\$ 42,611</u>
City of Beaverton		
Note payable, non-interest bearing and maturing September 1, 2054. Fixed assets owned by Bridge Meadows-Beaverton, subject to prior liens, pledged as collateral.	<u>200,000</u>	<u>200,000</u>

(Continued)

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

3. NOTES PAYABLE - Continued

	2021	2020
<i>Portland Housing Bureau</i>		
Note payable, non-interest bearing due October 1, 2079. Fixed assets owned by New Meadows pledged as collateral. Provided that New Meadows has complied with the terms and conditions of the note agreement, the borrowings will be forgiven at maturity.	\$ 1,377,173	\$ 1,377,173
Note payable, non-interest bearing and is due on May 2, 2066. Annual payments equal to 50% of Excess Cash Flow, as defined in the promissory note, are due on April 1 of each year. Fixed assets owned by Bridge Meadows Senior Housing, subject to prior liens, pledged as collateral.	925,676	928,562
Note payable, non-interest bearing and is due on May 2, 2066. Annual payments equal to 50% of Excess Cash Flow, as defined in the promissory note, are due on April 1 of each year. Fixed assets owned by Bridge Meadows Senior Housing, subject to prior liens, pledged as collateral.	705,644	705,644
	<u>3,008,493</u>	<u>3,011,379</u>
<i>Oregon Housing Community Services ("OHCS")</i>		
Note payable pursuant to a Tax Credit Assistance Program Loan Agreement provides for interest at 1% per annum beginning on January 1, 2014 with principal and accrued interest to be paid in full on December 31, 2065. Fixed assets owned by Bridge Meadows Senior Housing pledged as collateral.	2,325,511	2,325,511
Note payable is due on December 31, 2061 and non-interest bearing. Fixed assets owned by Bridge Meadows Redmond pledged as collateral.	1,235,377	-
Unamortized debt issuance costs	<u>(183,436)</u>	<u>(187,605)</u>
	<u>3,377,452</u>	<u>2,137,906</u>
<i>JPMorgan Chase</i>		
Notes payable, due September 19, 2023. Substantially all assets of Bridge Meadows-Beaverton pledged as collateral.		
Payable in monthly installments of \$5,790 including interest at 1.00% per annum.	1,635,285	1,687,891
Payable in monthly installments of \$3,758 including interest at 5.00% per annum.	667,196	678,162
Unamortized debt issuance costs	<u>(29,563)</u>	<u>(31,391)</u>
	<u>2,272,918</u>	<u>2,334,662</u>
		(Continued)

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

3. NOTES PAYABLE - Continued

	2021	2020
<i>Umpqua Bank</i>		
Construction loan, borrowings up to \$10,100,000 (Note A \$2,200,00, Note B \$7,900,000) with interest only payable monthly at the one-month LIBOR rate plus 2.5 per annum but not less than 3.10% per annum. The notes are due on September 1, 2022 with an option to extend up to an additional 180 days. Note A is convertible into a term loan with a maturity of 16 years after the conversion date, payable in monthly installments of \$9,939, including interest at 3.5% per annum. Fixed assets owned by Bridge Meadows Redmond pledged as collateral.	\$ 8,731,851	\$ -
Unamortized debt issuance costs	(32,091)	-
	<u>8,699,760</u>	<u>-</u>
<i>Washington County</i>		
Note payable is due January 31, 2058 with interest accruing at one-half of one percent (0.5%) simple interest per annum beginning on January 31, 2018. Annual principal and interest payments from Available Cash Flow (as defined in the promissory note) not to exceed \$12,000 per annum until the year following the year in which the term loan with JPMorgan Chase shall have been fully repaid or refinanced. Thereafter principal and interest payments from Available Cash Flow of \$16,000 per annum for the remainder of the term loan with remaining principal balance and accrued interest due at maturity. Fixed assets owned by Bridge Meadows-Beaverton, subject to prior liens, pledged as collateral.	850,075	850,075
Unamortized debt issuance costs	(4,399)	(4,521)
	<u>845,676</u>	<u>845,554</u>
Total notes payable	18,678,426	9,721,738
Total unamortized debt issuance costs	(249,489)	(223,517)
Net of unamortized debt issuance costs	18,428,937	9,498,221
Less current portion	(6,615,586)	(81,567)
Notes payable, net of unamortized debt issuance costs	<u>\$ 11,813,351</u>	<u>\$ 9,416,654</u>

Principal payments due over the next five years and thereafter are as follows:

Year Ending December 31,	
2022	\$ 6,615,586
2023	71,399
2024	66,994
2025	68,209
2026	69,464
Thereafter	<u>11,786,774</u>
Total notes payable	<u>\$18,678,426</u>

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

4. OTHER COMMITMENTS AND CONTINGENCIES

Grant and Property Use Restrictions – Certain of the properties operated by Bridge Meadows and Affiliated Entities were developed using funds provided by grants and low interest rate loans. The terms of these grants and loans restrict the use of the property and generally require the property to be rented to low-income qualified tenants for the period of the grant or related loan term. Failure to comply with the terms of the grants or the loans may result in a requirement to repay a portion or all of the proceeds received.

Management Fee – The Affiliated Entities pay a third party service provider a management fee equal to 7% of gross revenue collected to manage the daily operations of the low-income housing projects.

Other – As the general partner in the Tax Credit Partnerships, Bridge Meadows may be subject to other liabilities, should affected partnerships' assets become insufficient to meet its obligations. This includes guarantees to fund future operating deficits of the limited partnership over the periods as defined in the limited partnership agreements. The operating deficit guarantee periods typically require the limited partnerships to meet certain conditions based on the operational results. Bridge Meadows has not been required to fund any amounts associated with the operating deficit guarantees to date.

5. LEASES

Bridge Meadows has entered into a ground lease agreement with the City of Portland for the land where the buildings of Family Homes and Bridge Meadows Senior Housing are situated. The Ground Lease Agreement with the City of Portland dated January 8, 2009 has a term of 99 years and provides for annual lease payments of \$1.

In April 2018, Bridge Meadows entered into a Long-Term Ground Lease Option with a 3rd party nonprofit organization that grants Bridge Meadows the option to lease the land for its community development site with a lease term of 99 years and lease value at \$1,200,000 (the "New Lease"). Bridge Meadows may pay \$1,000,000 of the lease value upon the execution of the New Lease and the remaining lease value may be due 20 years from the effective date of New Lease with interest accrued at 4 percent per annum or may be waived at the lessor's discretion. The original option term was three years with the option price \$100 for 2018, \$25,000 for 2019 and \$50,000 for 2020. At December 31, 2021, the lease option has expired, however the agreement was extended to April 1, 2023 in April 2022.

New Meadows Property LLC has leased its 15-unit apartment complex to New Meadows Operations LLC, an affiliated party, under the terms of an operating lease that provides for an initial term of 10 years beginning June 1, 2018 with an option to extend the term for two additional five-year terms. In addition to the base rent of \$6,000 per year, increasing 3% annually, the lessee is responsible for all costs and expenses related to the operation of the premises.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

5. LEASES - Continued

Minimum future rentals for the next five years and thereafter are as follows:

Year Ending December 31,	
2022	\$ 6,753
2023	6,956
2024	7,165
2025	7,379
2026	7,601
There after	<u>7,829</u>
Total	<u>\$43,683</u>

6. DONATED LAND

On August 20, 2020, the donated land was sold in accordance with the Purchase and Sales Agreement dated January 13, 2020. Bridge Meadows received the sales proceeds of \$1,030,495, net of commissions and other sales expenses, and recorded \$69,505 of net loss on the sale of assets for the year ended December 31, 2020. Such proceeds have met the donor restrictions and was released from the net assets with donor restrictions during 2020.

7. LIQUIDITY

Cash and cash equivalent and current receivables

Bridge Meadows	\$ 1,233,075
Affiliated Entities	<u>180,069</u>
Current resources available	<u>\$ 1,413,144</u>

Current liabilities

Bridge Meadows	\$ 342,586
Affiliated Entities	<u>143,511</u>
Current obligations	<u>\$ 486,097</u>

The resources of the Affiliated Entities are not available for general purposes of Bridge Meadows. Such resources are only available for use by the specific entity that holds the resources. Allowable distributions to Bridge Meadows from these entities are determined by the respective Partnership or Operating Agreement.

In addition to the current resources as summarized above, each of the Affiliated Entities have restricted deposits available to fund operating deficits or capital expenditures, etc. as more fully described in Note 2.

Bridge Meadows has adequate financial resources to pay its current obligations when due and expects to generate sufficient cash flow from operations to continue the normal operation of major programs.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

8. OTHER ASSETS

At December 31, 2021 and 2020, other assets include the following:

	2021	2020
Community development costs	\$ 338,783	\$ 241,922
Deferred OHCS monitoring fee	38,666	48,333
Prepaid debt issuance costs	-	32,901
Other	12,793	11,581
	<u>\$ 390,242</u>	<u>\$ 334,737</u>

Community development costs represent the predevelopment costs incurred for the future housing projects and will be transferred to affiliated entities when the construction begins.

Deferred OHCS monitoring fees were recorded at cost and are being amortized on the straight-line method over 15 years of the tax credit compliance period of Bridge Meadows Senior Housing Limited Partnership. The amortization expense for the years ended December 31, 2021 and 2020 was \$9,667 each year and accumulated amortization at December 31, 2021 and 2020 was \$106,334 and \$96,667, respectively.

9. EMPLOYEE BENEFIT PLAN

All employees of Bridge Meadows (other than union employees, certain nonresident clients and leased employees) that meet certain requirements are eligible to participate in Bridge Meadows' defined contribution plan under Section 401(k) of the Internal Revenue Code. Eligible employees can elect to defer a percentage of their compensation each year up to the dollar limit set by law. The plan further provides that Bridge Meadows will make safe harbor nonelective contributions each year equal to 3% of eligible compensation. Employer contributions to the benefit plan were \$28,600 and \$27,472 for the years ended December 31, 2021 and 2020, respectively.

10. CONCENTRATIONS OF CREDIT RISK

Bridge Meadows maintains its cash balances with banks and other financial instruments, which may exceed depository insurance limits. Bridge Meadows has not experienced any losses from these accounts and does not believe they are exposed to significant credit risk.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

11. FUNCTIONAL EXPENSES

The consolidated schedule of functional expense for the year ended December 31, 2021 is as follows:

	Year Ended December 31, 2021				
	Program Services		Support Services		
	Affordable Housing	Community Development	Resident Services	Management and General	Fund-raising
	\$	\$	\$	\$	\$
Salaries and related expenses	98,511	200,026	380,223	236,078	289,896
Legal	630	-	-	1,404	-
Accounting and audit	18,839	-	-	23,487	-
Other professional service fees	1,045	165,743	343	9,704	8,118
License, fees and permits	6,131	417	949	20,295	4,617
Office expense	28,704	1,859	17,568	35,475	17,422
Program supplies	-	8,589	26,235	-	-
Taxes and insurance	49,620	-	-	16,812	-
Travel and meetings	-	16,247	4,213	9,487	4,029
Utilities	117,483	-	-	-	-
Repairs and maintenance	257,326	-	-	-	-
Management fees	53,342	-	-	-	-
Residence administration	-	-	-	-	-
Bad debt	2,721	-	-	-	1,750
Advertising and lease-up	107,368	-	1,290	-	31,806
Asset management fees	12,864	-	-	-	-
Interest	99,917	-	-	1,999	-
Interest - amortization	6,120	-	-	-	-
Depreciation	782,481	-	-	8,576	-
Amortization	16,791	-	-	-	-
Miscellaneous	8,291	415	-	4,614	-
Development costs capitalized	-	(241,655)	-	-	-
Total expenses	\$ 1,668,184	\$ 151,641	\$ 430,821	\$ 367,931	\$ 357,638
					\$ 2,976,215

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

11. FUNCTIONAL EXPENSES

The consolidated schedule of functional expense for the year ended December 31, 2020 is as follows:

	Year Ended December 31, 2020				
	Program Services		Support Services		
	Affordable Housing	Community Development	Resident Services	Management and General	Fund-raising
					Year Ended 2020
Salaries and related expenses	\$ 61,425	\$ 197,662	\$ 366,135	203,112	\$ 343,559
Legal	4,439	2,760	-	2,486	-
Accounting and audit	14,112	-	-	23,000	-
Other professional service fees	37	238,433	468	4,499	15,120
License, fees and permits	200	-	841	21,239	5,448
Office expense	22,400	743	17,277	28,079	9,844
Program supplies	-	1,290	18,824	-	-
Taxes and insurance	69,591	-	-	7,179	-
Travel and meetings	-	4,000	4,401	7,417	6,124
Utilities	90,929	-	-	-	-
Repairs and maintenance	177,110	-	-	-	-
Management fees	42,833	-	-	-	-
Residence administration	9,331	-	-	-	-
Bad debt	2,707	-	-	-	7,500
Advertising	170	567	242	372	33,876
Asset management fees	10,906	-	-	-	-
Interest	60,873	-	-	4,370	-
Interest - amortization	6,121	-	-	-	-
Depreciation	736,832	-	-	7,257	-
Amortization	16,791	-	-	-	-
Miscellaneous	5,558	-	-	-	-
Development costs capitalized	-	(264,000)	-	-	-
Total expenses	\$ 1,332,365	\$ 181,455	\$ 408,188	\$ 309,010	\$ 421,471
					\$ 2,652,489

BRIDGE MEADOWS AND AFFILIATED ENTITIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2021 AND 2020

14. SUBSEQUENT EVENTS

Management of Bridge Meadows and Affiliated Entities has evaluated events and transactions occurring after December 31, 2021 through July 6, 2022, the date the financial statements were available for issuance, for potential recognition or disclosure in the financial statements and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

BRIDGE MEADOWS AND AFFILIATED ENTITIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2021

	Bridge Meadows Nonprofit	Bridge Meadows Family Homes LLC	New Meadows Property LLC	Bridge Meadows Senior Housing LP	Bridge Meadows- Beaverton LP	Bridge Meadows- Redmond LP	Eliminations	Consolidated
ASSETS								
CURRENT ASSETS:								
Cash and cash equivalents	\$ 1,155,967	\$ 3,674	\$ 25,118	\$ 23,824	\$ 71,465	\$ 17,272	\$ 30,000	\$ 1,327,320
Accounts receivable	-	9,981	-	681	16,529	11,525	-	38,716
Contributions receivable	74,059	-	-	-	-	-	-	74,059
Due from affiliates	2,017,838	-	-	-	-	-	(2,014,789)	3,049
Prepaid expenses	4,066	1,646	-	2,741	12,469	-	-	20,922
Total current assets	3,251,930	15,301	25,118	27,246	100,463	28,797	(1,984,789)	1,464,066
NONCURRENT ASSETS:								
Tenant security deposits held in trust	-	4,100	-	9,100	28,551	6,577	-	48,328
Restricted deposits	-	13,368	-	359,485	497,042	-	-	869,895
Investments in affiliates	2,847,475	-	-	-	-	-	(2,837,185)	10,290
Notes receivable	4,813,256	-	-	-	-	-	(4,813,256)	-
Interest receivable	480,585	-	-	-	-	-	(480,585)	-
Tax credit fees - net	-	-	-	14,777	44,463	82,869	-	142,109
Other assets	349,298	-	2,278	38,666	-	-	-	390,242
Fixed assets:								
Land and land improvements	203,027	-	668,361	1,142,487	1,670,256	2,005,422	-	5,689,553
Buildings and improvements	-	1,966,574	2,954,257	6,162,333	11,935,421	13,913,856	(1,138,197)	35,794,244
Furnishings and equipment	27,970	28,584	141,024	347,433	222,500	302,244	-	1,069,755
Website	26,353	-	-	-	-	-	-	26,353
Total	257,350	1,995,158	3,763,642	7,652,253	13,828,177	16,221,522	(1,138,197)	42,579,905
Less accumulated depreciation	(51,770)	(555,776)	(335,708)	(2,598,444)	(1,518,354)	(70,871)	32,861	(5,098,062)
Fixed assets - net	205,580	1,439,382	3,427,934	5,053,809	12,309,823	16,150,651	(1,105,336)	37,481,843
Total noncurrent assets	8,696,194	1,456,850	3,430,212	5,475,837	12,879,879	16,240,097	(9,236,362)	38,942,707
TOTAL	\$ 11,948,124	\$ 1,472,151	\$ 3,455,330	\$ 5,503,083	\$ 12,980,342	\$ 16,268,894	\$ (11,221,151)	\$ 40,406,773

(Continued)

BRIDGE MEADOWS AND AFFILIATED ENTITIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

	Bridge Meadows Nonprofit	Bridge Meadows Family Homes LLC	New Meadows Property LLC	Bridge Meadows Senior Housing LP	Bridge Meadows- Beaverton LP	Bridge Meadows- Redmond LP	Eliminations	Consolidated
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES:								
Accounts payable and other accrued liabilities	\$ 342,586	\$ 3,159	\$ -	\$ 116,838	\$ 237,162	\$ 14,674	\$ (360,553)	\$ 353,866
Construction payable	25,210	-	-	-	-	132,231	-	157,441
Prepaid rents	-	10,980	2,732	1,258	2,428	-	-	17,398
Accrued interest	-	-	-	-	4,280	134,869	-	139,149
Current portion of notes payable	19,057	-	-	-	64,678	6,531,851	-	6,615,586
Total current liabilities	386,853	14,139	2,732	118,096	308,548	6,813,625	(360,553)	7,283,440
NONCURRENT LIABILITIES:								
Refundable security deposits	-	4,100	-	9,100	28,551	6,577	-	48,328
Notes payable, net	205,581	925,676	1,377,173	3,011,365	4,611,337	6,352,896	(4,670,677)	11,813,351
Deferred interest	-	-	-	202,955	371,942	-	(480,585)	94,312
Development fee payable	-	-	-	248,476	215,760	1,160,000	(1,624,236)	-
Total noncurrent liabilities	205,581	929,776	1,377,173	3,471,896	5,227,590	7,519,473	(6,775,498)	11,955,991
Total liabilities	592,434	943,915	1,379,905	3,589,992	5,536,138	14,333,098	(7,136,051)	19,239,431
NET ASSETS:								
Net assets without donor restrictions:								
Controlling interests	11,355,690	528,236	2,000,424	(334)	308,777	82	(4,085,100)	10,107,775
Noncontrolling interests	-	-	75,001	1,913,425	7,135,427	1,935,714	-	11,059,567
Total net assets without donor restrictions	11,355,690	528,236	2,075,425	1,913,091	7,444,204	1,935,796	(4,085,100)	21,167,342
TOTAL	\$ 11,948,124	\$ 1,472,151	\$ 3,455,330	\$ 5,503,083	\$ 12,980,342	\$ 16,268,894	\$ (11,221,151)	\$ 40,406,773

(Concluded)

BRIDGE MEADOWS AND AFFILIATED ENTITIES

CONSOLIDATING STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

	Bridge Meadows Nonprofit	Bridge Meadows Family Homes LLC	New Meadows Property LLC	Bridge Meadows Senior Housing LP	Bridge Meadows- Beaverton LP	Bridge Meadows- Redmond LP	Eliminations	Consolidated
SUPPORT AND REVENUES:								
Support:								
Contributions and grants	\$ 2,291,544	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,291,544
Special events, net	271,290	-	-	-	-	-	-	271,290
Total support	2,562,834	-	-	-	-	-	-	2,562,834
Revenues:								
Net rental income	-	96,387	6,878	205,660	420,327	20,851	-	750,103
Management fees	138,432	-	-	-	-	-	(126,236)	12,196
Development fees	1,020,000	-	-	-	-	-	(1,020,000)	-
Interest income	177,591	3	-	486	48	48	(176,589)	1,587
Income from equity investments	(154,555)	-	-	-	-	-	154,555	-
Miscellaneous income	-	1,353	6	20	(1)	7,110	-	8,488
Total revenues	1,181,468	97,743	6,884	206,166	420,374	28,009	(1,168,270)	772,374
Total support and revenues	3,744,302	97,743	6,884	206,166	420,374	28,009	(1,168,270)	3,335,208

(Continued)

BRIDGE MEADOWS AND AFFILIATED ENTITIES

CONSOLIDATING STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2021

	Bridge Meadows Nonprofit	Bridge Meadows Family Homes LLC	New Meadows Property LLC	Bridge Meadows Senior Housing LP	Bridge Meadows- Beaverton LP	Bridge Meadows- Redmond LP	Eliminations	Consolidated
EXPENSES:								
Program services:								
Affordable housing	\$ -	\$ 166,388	\$ 95,916	\$ 530,256	\$ 872,310	\$ 208,848	\$ (205,874)	\$ 1,667,844
Community development	393,296	-	-	-	-	-	(241,655)	151,641
Resident services	430,821	-	-	-	-	-	-	430,821
Total program services	824,117	166,388	95,916	530,256	872,310	208,848	(447,529)	2,250,306
Support services:								
Management and general	367,931	-	-	-	-	-	-	367,931
Fundraising	357,638	-	-	-	-	-	-	357,638
Total support services	725,569	-	-	-	-	-	-	725,569
Total expenses	1,549,686	166,388	95,916	530,256	872,310	208,848	(447,529)	2,975,875
CHANGE IN NET ASSETS	2,194,616	(68,645)	(89,032)	(324,090)	(451,936)	(180,839)	(720,741)	359,333
NET ASSETS, BEGINNING OF YEAR	9,161,074	596,881	2,164,457	2,237,181	7,896,140	2,116,635	(3,364,359)	20,808,009
NET ASSETS, END OF YEAR	<u>\$11,355,690</u>	<u>\$ 528,236</u>	<u>\$2,075,425</u>	<u>\$1,913,091</u>	<u>\$ 7,444,204</u>	<u>\$ 1,935,796</u>	<u>\$ (4,085,100)</u>	<u>\$ 21,167,342</u>
								(Concluded)